

SPEECH BY H.E. HON. DAN KAZUNGU, KENYA'S HIGH COMMISSIONER TO TANZANIA REPRESENTING MR. JAMES MACHARIA, CABINET SECRETARY, MINISTRY OF TRANSPORT, INFRASTRUCTURE, HOUSING, URBAN DEVELOPMENT AND PUBLIC WORKS; REPUBLIC OF KENYA, AT THE 6TH MEETING OF ISCOS ASSEMBLY OF MINISTERS ON 19TH NOVEMBER 2019, AT MALAIKA BEACH RESORT, MWANZA, UNITED REPUBLIC OF TANZANIA.

- **ISCOS Assembly of Ministers' Chair, Hon. Eng. Isack Kamwelwe, Minister for Works, Transport and Communication, United Republic of Tanzania**
- **Hon. Bagiire Aggrey Henry, MP, Minister of State for Transport of the Republic of Uganda**
- **H.E Amb. Bension K. Chali, Higher Commission of Zambia in the United Republic of Tanzania**
- **Members of ISCOS Coordination Committee**
- **Acting Secretary General Mr. Kassim Mpaata**
- **Invited Guests, Stakeholders and Partner institutions present,**
- **Our staff at the Secretariat**
- **ALL PROCOLS OBSERVED, LADIES AND GENTLEMEN**

It gives me a great pleasure to be here in this important meeting to deliberate matters of an organization which unites the shipping and Maritime interests of the region.

Let me first of all thank the government of the United Republic of Tanzania, through the Minister, Eng. Kamwelwe for hosting this important meeting and for the warm welcome accorded to me and my delegation. I also wish to thank the people of Tanzania for the hospitality accorded to all of us here.

I deliver apologies from the Cabinet Secretary, Mr. James Macharia, who would have wished to be here with us, but has not been able due to other coinciding official engagements. He asked me to deliver his apologies and to say that he is with us in all our deliberations.

Honorable Ministers, allow me pay tribute to the Chair for steering the organization and for guiding the various programmes undertaken during the last two years. I also pay tribute to Mr. Mpaata, the Acting Secretary General and his team, whom, from the records seen has done a commendable job for the Organization even in his Acting capacity.

LADIES AND GENTLEMEN,

For the effective and efficient use of our water bodies, whether it is the sea or our rivers and lakes, collaboration between regional states

is important since many of these water bodies are shared by more than one state. Therefore, having a regional organization taking care of our shipping and maritime matters is simply inevitable. So let us appreciate the role being played by ISCOS in providing this much needed forum and for helping states develop their Maritime economies in its advocacy for competitive shipping services for our region.

As a nation with direct access to the sea, Kenya handles several Maritime interests of the States using her ports for their international trade. With the help of the forum provided by ISCOS, we are able to understand the needs of our neighbors and put in place Maritime and Surface Transport facilities that seek to be efficient and cost effective. We are also grateful to ISCOS for assisting us to share information with our neighbors Tanzania Ports Authority on a regular basis, with a view of improving our efficiency and harmonizing policies. I wish to thank our neighbors-the land linked states, for the continuous trust in using our Maritime facilities and wish to assure them that the Government of Kenya, in collaboration with institutions like ISCOS seeks to continuously improve the efficiency in handling of Transit cargo for our neighbors.

HONOURABLE MINISTERS,

We need a strong, vibrant and enlightened private sector. After the 2006 ISCOS Transformation, ISCOS was mandated to work more with the Private sector and build capacity for our Shippers. I am happy to learn that ISCOS has assisted to form Shippers Councils

throughout the region and has also run several sensitization workshops on best practice in international trade, which have helped in creating awareness and deriving best practice in Shipping and international Trade for our business people.

On the other hand, the Maritime Sector has over the years been little known, even as we rely heavily on the same not only for the transportation business but for many other economic benefits. I wish to commend ISCOS for helping in demystifying the Maritime sector and encouraging the uptake of maritime careers in the region.

HONOURABLE MINISTERS, LADIES AND GENTLEMEN

In the quest of reducing cost of doing business, especially surface transport costs, Kenya is working towards moving cargo from road to rail in order to gain from the benefits of cost effective railway carriage, while saving our roads. To actualize this , the first phase of northern corridor SGR project which is from the Mombasa port to Nairobi became commercially operational from 1st June, 2017 for passenger Services and 1st January 2018 for Freight services. The second phase from Nairobi to Naivasha was inaugurated on 17th October, 2019.

LADIES AND GENTLEMEN,

At this juncture, I would wish to extend my appreciation to ISCOS for spearheading initiatives to localize marine cargo insurance in the region. This initiative aims at retaining millions of the much needed

foreign currency in our economies. In Kenya, we started the enforcement of section 20 of the marine insurance act from 1st January 2017. Marine Insurance uptake in Kenya increased by 41.6% from Kshs. 2.65 billion in 2016 to Kshs.3.75 billion in 2017 during the first year of implementation. Although there was a drop in the following year 2018, ISCOS assisted us to address this by engaging major stakeholders and providing a new roadmap for the same. By the year 2020, with Kenya's imports and exports growing every year, Kenya Insurance outlay will hit US \$ 300million per annum, and it is only important that we retain this money in our economies rather than export it without any benefit. I therefore, ask ISCOS secretariat to follow up with the taskforce steering this matter so that we can get back on track as soon as possible. No doubt, localizing Marine Cargo Insurance cannot be overemphasized. The retention of such amounts in our Economies will result into boosting the insurance industry, authenticating insurance policies procured, room for negotiating for better rates, ease in claiming settlement, widening government tax base to name a few. I plead for patriotism on MCI for building our economies.

LADIES AND GENTLEMEN

It is now high time we move from land to the sea for economic development. Let us focus on our waters. ISCOS member states are blessed with huge water masses which include Indian Ocean, Lake Victoria, Lake Tanganyika and Lake Nyasa. All these water bodies are shared by different states, so requires joint efforts among adjoining

states in harnessing the blue economy equitably and sustainably. For example, transport through Lake Victoria will flourish if Kenya, Tanzania and Uganda inland ports are developed and maintained to handle same vessels at the same level of efficiency, because inefficiency on one port can create snowball effect on the others. I urge ISCOS to continue collaborating with other institutions in the region to assist and work together for the efficient and effective harnessing of the resources in our water bodies.

LADIES AND GENTLEMEN

ISCOS continues to be a hub of knowledge in Shipping and maritime affairs and important statistics generated do assist Kenya in appreciating our position on the Global Shipping Radar. I urge the Secretariat to continue updating us on trends and happenings in the industry and advising on the best way of adopting best practices to again more from the industry. It is important to note innovations and learning from each other in the shipping industry are inevitable to be able to serve ships calling at our ports better.

HONERABLE MINISTERS, LADIES AND GENTLEMEN

Our Agenda today is a packed one. But among the things we are shall be doing today is to appoint new executive leadership/ Secretary General of the Organization. As we do this, I wish to appeal to our staff at Secretariat especially Mr. Mpaata who has led the institution

quite well to provide support and guidance to the incoming Secretary General so that the institution can continue achieving its objectives. As the Nation providing the next Secretary General, we shall endeavor to ensure Kenya leads the institution in a desirable and value adding manner.

LAST BUT NOT THE LEAST,

I wish to assure Members that as a Maritime Nation, Kenya takes pride in hosting of ISCOS Headquarters and wish to re-affirm Kenya's non wavering support to the Organization. I wish to urge all Member States that we put our energies together to support the development of the Shipping and Maritime Sectors.

With these few remarks, I wish to once again congratulate the Chair and the Secretariat for the good reception and arrangements of this meeting.

THANK YOU FOR YOUR ATTENTION.